

Company Name

ELAM UTILITY COMPANY

Quarterly Report of Gas Cost
Recovery Rate Calculation

2008-194

RECEIVED

MAY 30 2008

PUBLIC SERVICE
COMMISSION

Date Filed:

May 30, 2008

Date Rates to be Effective:

July 1, 2008

Reporting Period is Calendar Quarter Ended:

April, 2008

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	13.2176
+ Refund Adjustment (RA)	\$/Mcf	0.0000
+ Actual Adjustment (AA)	\$/Mcf	6.5158
+ Balance Adjustment (BA)	\$/Mcf	0.0000
= Gas Cost Recovery Rate(GCR)		19.7334

GCR to be effective for service rendered from _____ to _____

A. <u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Schedule II)	\$	583,489
+ Sales for the 12 months ended April, 2008	Mcf	44,145
= Expected Gas Cost (EGC)	\$/Mcf	13.2176

B. <u>REFUND ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Supplier Refund Adjustment for Reporting Period (Sch.III)		
+ Previous Quarter Supplier Refund Adjustment	\$/Mcf	0.0000
+ Second Previous Quarter Supplier Refund Adjustment	\$/Mcf	0.0000
+ Third Previous Quarter Supplier Refund Adjustment	\$/Mcf	0.0000
= Refund Adjustment (RA)	\$/Mcf	0.0000

C. <u>ACTUAL ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf	4.7235
+ Previous Quarter Reported Actual Adjustment	\$/Mcf	1.7923
+ Second Previous Quarter Reported Actual Adjustment	\$/Mcf	0.0000
+ Third Previous Quarter Reported Actual Adjustment	\$/Mcf	0.0000
= Actual Adjustment (AA)	\$/Mcf	6.5158

D. <u>BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Balance Adjustment for the Reporting Period (Schedule V)	\$/Mcf	0.0000
+ Previous Quarter Reported Balance Adjustment	\$/Mcf	0.0000
+ Second Previous Quarter Reported Balance Adjustment	\$/Mcf	0.0000
+ Third Previous Quarter Reported Balance Adjustment	\$/Mcf	0.0000
= Balance Adjustment (BA)		0.0000

SCHEDULE II

EXPECTED GAS COST

Actual * MCF Purchases for 12 months ended April, 2008

(1) Supplier	(2) Dth	(3) BTU Conversion Factor	(4) Mcf	(5)** Rate	(6) (4)x(5) Cost
Seminole	41,654	1069.1	38,133	12.00	499,848
Jefferson Gas	3,610	1000.0	3,610	10.79	38,952
Columbia Gulf				Flate	12,303
Columbia Gas	41,654	1069.1	38,133	0.7775	32,386
Totals	<u>45,264</u>		<u>41,743</u>		<u>583,489</u>

Line loss for 12 months ended 4/30/08 is 0.06% based on purchases of 41,743 Mcf and sales of 44,145 Mcf.

	Unit	Amount
Total Expected Cost of Purchases (6)	\$	
÷ Mcf Purchases (4)	Mcf	N/A
= Average Expected Cost Per Mcf Purchased	\$/Mcf	
X Allowable Mcf Purchases (must not exceed Mcf Sales ÷ .95)	Mcf	N/A
= Total Expected Gas Cost (to Schedule IA)	\$	

*Or adjusted pursuant to Gas Cost Adjustment Clause and explained herein.

**Supplier's tariff sheets or notices are attached.

SCHEDULE III

SUPPLIER REFUND ADJUSTMENT

Details for the 3 months ended 4/30/08 (reporting period)

	<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
	Total supplier refunds received	\$	0.00
+	Interest	\$	0.00
=	Refund Adjustment including interest	\$	0.00
+	Sales for 12 months ended	Mcf	0.00
=	Supplier Refund Adjustment for the Reporting Period (to Schedule IB.)	\$/Mcf	0.00

SCHEDULE IV

ACTUAL ADJUSTMENT

For the 10 month period ended 4/30/08

<u>Particulars</u>	<u>Unit</u>	<u>Month 1</u> ()	<u>Month 2</u> ()	<u>Schedule Attached</u> <u>Month 3</u> ()
Total Supply Volumes Purchased	Mcf			40,193
Total Cost of Volumes Purchased	\$			365,587
+ Total Sales (may not be less than 95% of supply volumes)	Mcf			42,431
= Unit Cost of Gas	\$/Mcf			8.6160
- EGC in effect for month	\$/Mcf			13.6037
= Difference [(over-)/Under-Recovery]	\$/Mcf			(4.9877)
X Actual sales during month	Mcf			41,807
= Monthly cost difference	\$			(208,519)

	<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)	\$	208,519
+ Sales for 12 months ended <u>April, 2008</u>	Mcf	44,145
= Actual Adjustment for the Reporting Period (to Schedule IC.)	\$/Mcf	4.7235

ELAM UTILITY
GAS COST RECOVERY RATE CALCULATION
SCHEDULE IV

Particulars	Unit	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	TOTAL
Total Supply Volumes Purchased	Mcf	607	568	738	1,505	4,589	6,538	9,835	7,609	5,670	2,534	40,193
Total Cost of Volumes Purchased	\$	1,686.85	1,587.77	1,767.88	2,526.47	6,792.68	10,336.89	129,253.74	101,595.64	75,978.50	34,060.89	365,587.31
Total Sales	Mcf	847	996	982	1,430	4,360	6,211	10,749	7,260	6,435	3,161	42,431
= Unit Cost of Gas	\$/Mcf	1.9916	1.5941	1.8003	1.7668	1.5580	1.6643	12.0247	13.9939	11.8071	10.7754	8.6160
- EGC in effect for month	\$/Mcf	10.9695	10.9695	13.6037	13.6037	13.6037	13.6037	13.6037	13.6037	13.6037	13.6037	13.6037
= Difference [(Over-)/Under-Recovery]	\$/Mcf	(8.9779)	(9.3754)	(11.8034)	(11.8369)	(12.0457)	(11.9394)	(1.5790)	0.3902	(1.7966)	(2.8283)	(4.9877)
x Actual sales during month	Mcf	847	996	982	1,353	3,994	6,030	10,749	7,260	6,435	3,161	41,807
= Monthly cost difference	\$	(7,604.32)	(9,337.85)	(11,590.95)	(16,015.38)	(48,110.71)	(71,994.66)	(16,972.43)	2,832.78	(11,561.31)	(8,940.41)	(208,516.99)

SCHEDULE V

BALANCE ADJUSTMENT

For the 3 month period ended 4/30/08

<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
(1) Total Cost Difference used to compute AA of the GCR effective four quarters prior to the effective date of the currently effective GCR	\$	
Less: Dollar amount resulting from the AA of _____ \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of _____ Mcf during the 12-month period the AA was in effect.	\$	
Equals: Balance Adjustment for the AA.	\$	0.0000
 (2) Total Supplier Refund Adjustment including interest used to compute RA of the GCR effective four quarters prior to the effective date of the currently effective GCR.		
Less: Dollar amount resulting from the RA of _____ \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of _____ Mcf during the 12-month period the RA was in effect.	\$	
Equals: Balance Adjustment for the RA	\$	0.0000
 (3) Total Balance Adjustment used to compute BA of the GCR effective four quarters prior to the effective date of the currently effective GCR	\$	
Less: Dollar amount resulting from the BA of _____ \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of _____ Mcf during the 12-month period the BA was in effect.	\$	
Equals: Balance Adjustment for the BA.	\$	0.0000
 Total Balance Adjustment Amount (1) + (2) + (3)	\$	0.0000
 ÷ Sales for 12 months ended _____	Mcf	0.0000
 = Balance Adjustment for the Reporting Period (to Schedule ID.)	\$/Mcf	

FOR ENTIRE AREA SERVED
P.S.C. KY NO. _____
SHEET NO. _____
CANCELLING P.S.C. KY NO. _____
SHEET NO. _____

ELAM UTILITY COMPANY, INC.

RULES AND REGULATIONS

The GCR will be added to or subtracted from the latest base tariff rates prescribed by Commission Order in the tariff rates stated on each applicable rate sheet within this tariff.

Definitions

For purposes of this tariff:

1. "Average Expected Cost" is the cost of purchased gas which results from the application of supplier rates currently in effect, or reasonable expected to be in effect during the calendar quarter, on purchased volumes for the most recently available twelve-month period, divided by the corresponding sales volumes. In the event that line loss exceeds 5 percent, purchased volumes for the twelve-month period shall be calculated as: sales volume + .95. Where the calculations require the use of volumes used during a given period, and those volumes did not exist for a particular source for the entire period, or the Company expects the volumes to change substantially, the company may make appropriate adjustments to its calculations. Any adjustment of this type shall be described in the quarterly GCR application.
2. The "GCR" is the total of the expected gas cost and all adjustments.
3. The "Calendar Quarters" are: 1st January, February, March; 2nd April, May, June; 3rd July, August, September; and 4th October, November, December.
4. "Reporting Period" means the three month accounting period that ended approximately 60 days prior to the filing date of the updated gas cost recovery rates, i.e., the calendar quarters ended March 31, June 30, September 30 and December 31 of each year.

DATE OF ISSUE _____ DATE EFFECTIVE _____
ISSUED BY Hilma A. Chan President West Liberty and Daysboro, KY